

Confidential Claim Retracted

Authorized by: SL

Date: 6/25/13

Albuquerque District Mining Office
500 Gold Avenue SW, Room 116
Albuquerque, New Mexico 87102

February 5, 1982

Memorandum

To: Area Director, Albuquerque Area Office, BIA
Attention: Real Property Management

From: District Mining Supervisor, Albuquerque District

Subject: Performance bond for the Jackpile-Paguate Mine, Anaconda
Copper Company, Pueblo of Laguna Uranium Leases 1, 4, and 8

June 23, 1981, we recommended that the subject bond be increased to \$30 million. You requested such an increase August 6 and our records show that Bond No. 8068-01-77 for \$30 million was effective November 6, 1981.

When we made our June 23 recommendation, Anaconda had submitted a proposed reclamation plan for the Jackpile-Paguate Mine, and we seemed to be progressing toward finalization of that plan. August 26, 1982, Anaconda withdrew its reclamation plan. Despite our efforts, a new proposal has not been submitted, and Anaconda has advised us that the last ore shipment will leave the Mine on or about February 12, 1982. The cessation of operations and possible termination of the mining leases without a reclamation plan creates concern about Anaconda's fulfillment of obligations under the leases. I therefore recommend that Anaconda's performance bond be increased immediately to \$60 million. While our calculations indicate that a \$60 million bond would not cover the total cost of reclamation, I believe that it is a reasonable bonding amount which will encourage Anaconda's diligent fulfillment of its obligations.

Due to the February 12 ore shipment date, I recommend that you request the bond increase immediately. If you have any questions, please contact me at 766-1630.

(ORIG. SGD.) DALE C. JONES

Dale C. Jones

cc:
Superintendent, Laguna Agency, BIA
Governor, Pueblo of Laguna
Thomas O'Hare, Attorney-Advisor, Solicitor's Office, DOI
Nordhaus, Haltom and Taylor
Minerals Manager, SCR
DMM--Mining, SCR
MP File: Anaconda Comprehensive Mine Plan
Lease Correspondence Files: Anaconda Laguna 1, 4, 8 (3)
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